

## **Chapter 18**

### **ETHICS**

**[HISTORY: Adopted by the Mayor and Council of the City of Seat Pleasant as indicated in article histories. Amendments noted where applicable.]**

#### **ARTICLE I**

##### **Code of Ethics**

**[Adopted 9-13-1982 by Ord. No. 82-05]**

#### **§ 18-1. Statement of policy.**

- A. The City Council shall prescribe a Code of Ethics for public officials and employees of Seat Pleasant, Maryland. To fulfill this mandate, the following policy is set forth by the City Council. This code is to ensure that the honesty and integrity of the public officials and employees of Seat Pleasant, Maryland, remain above reproach. By ensuring this, it is certain that the City government will acquire a reputation which will ensure public confidence in our government and ensure that the public trust will not be violated. This code is designed also to maintain the highest standards of official conduct as well as to protect the freedoms and rights of all those affected by this code.
- B. City officers and employees are responsible to all of the people of this City and not to any favored segment or group. The business and affairs of the City must be conducted in such an impartial manner that all persons understand that no City officer or employee can be improperly influenced. City officers and employees must avoid all situations where prejudice, bias or opportunity for personal gain could influence their decisions. They must equally avoid circumstances suggesting that favoritism or personal gain is a motivating force in the conduct of City government.
- C. It is the further intent of this code to set forth the ethical standards to be followed by officers and employees of Seat Pleasant, Maryland. These standards are intended not only to require officers and employees to avoid activities that might result in using a public office or employment for private gain or the giving of favored treatment to any organization or person but also to maintain public confidence in City government by prohibiting activities that might permit opportunity for personal gain or personal preference to influence decisions. The objectives are to maintain an impartial administration of the City government and to maintain public confidence in government.

#### **§ 18-2. Definitions.**

As used in this article, the following terms shall have the meanings indicated:

**BUSINESS DEALINGS WITH THE CITY** — Any contract, work or business or the performance of or litigation arising out of or involving any such contract, work or business; or the sale or acquisition of any property, the expense, price or consideration for which is payable to

or from the City treasury or by any assessment levied pursuant to law; or the purchase, lease, rental or letting of or grant of license or permit in relation to any real or other property belonging to or taken by the City or which shall be sold for taxes or assessments or by virtue of legal processes or any license from the City for any reason whatsoever.

**EMPLOYEE** — An individual other than an official employed or appointed to any position within the City Council or the executive branch of the City government.

**ENTITY** — Any individual, partnership, association, corporation, firm, institute, trust, foundation or other organization (other than the City or any agency thereof), whether or not operated for profit.

**FINANCIAL INTEREST** — Ownership by the official or his/her spouse, jointly or severally, of a total of more than 3% of the invested capital or capital stock of or receipt of a total combined compensation of more than \$2,500 per year from any firm, corporation or association involved in the decision being made by the official or his/her agency, but shall not be construed to mean or include an interest or investment in land geographically remote from the land involved in the decision, a possibility or reverter or a mortgage or other security interest in which the real party in interest is not as otherwise defined in this subsection.

**OFFICIAL** — An individual elected to an office on the Council or the executive branch of the City government and all members of boards and commissions appointed by the Mayor and confirmed by the Council. It shall not include members of advisory boards, commissions or committees appointed by the Mayor or the Council.

**§ 18-3. Board of Ethics.** [Amended 4-12-1999 by Ord. No. 99-01]

- A. The Board shall be composed of five regular members, appointed by the Mayor and confirmed by the City Council.
- B. All members shall reside in and be (registered voters) in the City.
- C. The City Council shall, within 10 days, review and confirm candidates.
- D. In the event an individual(s) is/are not confirmed, a substitute name must be submitted within five days to the Council.
- E. In the event that names are not forwarded to the City Council within the time specified above, the City Council shall fill such vacancy(ies) by requiring the City Council to submit names to the Council President for the appropriate number of vacancies within 30 days. In any event, the confirmation of such person(s) shall be by vote of the majority of the City Council.

**§ 18-4. Board terms of office; vacancies.**

- A. The term of office of each member of the Board shall be from the date of appointment until the termination of the term of office of the Mayor. A member appointed to fill a vacancy occurring prior to the expiration of the term for which one's predecessor was appointed shall be appointed in the same manner as prescribed in § 18-3 and shall serve for the remainder of such term.

- B. The Mayor shall, within 45 days of taking office, submit the names of five qualified candidates to the City Council for review and confirmation. [Added 4-12-1999 by Ord. No. 99-01]

**§ 18-5. Board meetings.**

The Board shall meet at the call of the Chairperson, not less than once a month and at such other times as may be requested by the Mayor or the City Council.

**§ 18-6. Board quorum.** [Amended 4-12-1999 by Ord. No. 99-01]

Three members shall constitute a quorum for the transaction of business.

**§ 18-7. Administrative staff for Board.**

The City shall furnish the Board stenographic services, physical facilities and other necessary administrative services.

**§ 18-8. Annual report of Board.**

The Board shall submit not later than January 30 of each year to the Mayor and to the City Council a report of its activities under this article covering the immediately preceding calendar year, including a summary statement concerning the nature of any complaints filed with it and its decisions and advisory opinions.

**§ 18-9. Board to maintain confidentiality of information.**

During the investigation or review of any violation or request for advisory opinion referred to the Board and until a public hearing, if any, is held on said violation or request, the activities of all members of the Board in connection with said investigation or review shall be conducted without publicity and the Board shall hold confidential any information in relation thereto, including but not limited to the identity of the officials or employees involved, including the complainant, if any, and the official or employee requesting an advisory opinion, except that any information may be released at any time if its release has been agreed to, in writing, by the official or employee requesting an advisory opinion or by the official who has been alleged to be in violation of this article. Nothing in this section shall prevent the Board from discussing and reviewing any and all matters with legal counsel assigned from the City Attorney's office.

**§ 18-10. Powers and duties of Board.**

The Ethics Board has the power:

- A. To recommend from time to time to the Mayor and the City Council such laws, orders, rules, regulations and changes as it deems necessary and proper to supplement, administer and implement or amend the provisions of this code of ethics.
- B. To render advisory opinions to officials and employees of the City with respect to any matter or transaction in which such official or employee is involved concerning the applicability of this code of ethics. The Board shall publish such advisory opinions with

such deletions as may be necessary to prevent disclosure of the official or employee who may request such an opinion.

- C. To investigate any written complaint alleging a violation of this code or any matter that the Board believes may reasonably be an ethical problem concerning the actions of any City official or employee which should be brought to the attention of the Mayor or the City Council for appropriate administrative or legislative action.
- D. To order that a hearing be held prior to rendering an opinion or report in any particular matter whenever a City official or employee who may be substantially affected by the opinion or report in the matter requests a hearing. The Board is authorized to promulgate further rules or regulations not inconsistent with this code governing requests for hearings, conduct of hearings, reports of hearings and any other matters in connection with such hearings which will become effective upon approval of the City Council by resolution.
- E. To administer oaths and to make application to the City Council for the issuance of subpoenas for attendance of witnesses and the production of documentary material in connection with any matter over which it exercises jurisdiction.

**§ 18-11. Board jurisdiction.**

- A. At any time that a complaint alleges a violation of a criminal law or the Board, during an investigation, has reason to believe that a criminal law is being or has been violated, the Board shall refer the matter to the Prince George's County state's attorney forthwith and shall take no further action until advised by the state's attorney that the matter has been concluded by his/her office.
- B. In all other matters alleging a violation of this code, the Board shall, upon completion of its investigation and a finding of a violation, serve a written copy of its findings upon the party or parties found in violation of this code. The findings shall set forth the facts relied on and the person or persons who would testify to the facts if so called upon to testify. The findings shall also specify the corrective action necessary, if any.

**§ 18-12. Violations and penalties.**

- A. Where the Board finds a violation by an official, it shall transmit a copy of its findings to the City Council and the Mayor.
- B. Where the Board finds a violation by an employee, a copy of the findings shall be sent to the Mayor and City Council and the employee's immediate supervisor with a recommendation of corrective or disciplinary action. [Amended 4-12-1999 by Ord. No. 99-01]
- C. Any person found in violation of the code of ethics by the Board may, within 30 days after service of the findings, do the following:
  - (1) Acknowledge that corrective action has been taken.
  - (2) Submit to the Board affidavits or evidence in rebuttal of the evidence or in mitigation of the circumstances.
  - (3) Request a full hearing.

**§ 18-13. Hearings.**

- A. The Board shall hold a hearing if so requested by the person found in violation. A record shall be made of the hearing, and the Board shall make its decision based upon the record evidence compiled at the hearing.
- B. Within 30 days after the close of the hearing or after the official or employee acknowledges corrective action, submits an affidavit or evidence or fails to answer, the Board shall make a final decision on the matter, setting forth whether a violation is found, and shall serve a copy thereof on the official or employee.

**§ 18-14. Conflicts of interest.**

- A. No official or employee compensated by City funds shall:
  - (1) Have a financial interest in, engage in business dealings with or be employed by any person, firm or corporation engaging in business dealings with the City, except as may be authorized by this article or any other law.
  - (2) Solicit or accept, directly or indirectly, any gift, favor, loan, service, promise, employment, gratuity, entertainment or any other thing of monetary value from any person, firm, corporation or organization having business dealings with the City.
  - (3) Solicit or accept any service or thing of value, directly or indirectly, upon more favorable terms than those granted to the public generally from any person, firm or corporation having business dealings with the City concerning any contract, job, work or service for the City.
  - (4) Participate in a recommendation or a decision affecting any person, firm or corporation having business dealings with the City or affecting any person, firm or corporation in which he/she or his/her spouse has a financial interest.
  - (5) Represent a private interest before the City Council.
  - (6) Represent any client in a matter in which the City is a party or has a direct and substantial interest, except as may otherwise be authorized by law or regulation.
  - (7) Directly or indirectly be the broker or agent who procures or receives any compensation in connection with the procurement of any type of bonds for City officers, employees, persons or firms doing business with the City.
  - (8) Solicit or accept any compensation or gratuity in the form of money or otherwise for any act or omission in the course of his/her public work, except as provided by law or interstate compact (provided that the head of any department or board of the City may permit an employee to receive a reward publicly offered and paid for the accomplishment of a particular task).
- B. A former official or employee is prohibited for a period of one year from acting as agent or attorney for anyone other than the City in any particular matter in which the City is a party or has a direct and substantial interest if he/she participated personally and substantially in the handling of the matter during his/her term of office or City employment and the representation can reasonably be expected to utilize information of a confidential nature

obtained through former service with the City or to raise an issue with an action or decision the official or employee participated in.

**§ 18-15. Corporate interests.**

In order to guard against injustice, the Council may, by resolution upon recommendation of the Board of Ethics, specifically authorize any City officer or employee to own stock in any corporation or to maintain a business in connection with any person, firm or corporation dealing with the City if, on full public disclosure of all pertinent facts to the Council by such officer or employee, the Council shall determine that such stock ownership or connection does not violate the public interest.

**§ 18-16. Exemptions.**

The prohibitions set forth in this code above shall not be construed to prohibit:

- A. Any officer or employee from being affiliated with, employed by or representing a person, firm or corporation whose direct and indirect interest in business dealings with the City form an insubstantial part of its total business, provided that he/she has no direct or indirect interest in such business dealings and receives no part of the benefit thereof and takes no active part in connection therewith.
- B. Any officer or employee from appearing before the City upon matters only incidentally requiring official action which do not develop into a substantial part of the employment, provided that he/she has not been retained for the purpose of appearing before the City and provided further that the compensation, in whole or in part, is not contingent or dependent upon action by such City.
- C. Any officer or employee from accepting or receiving any benefit or facility which is provided for or made available to citizens or residents or classes of citizens or residents under housing or other general welfare legislation or in the exercise of the police power.
- D. Any officer or employee from holding stock or investing or holding any investment in any corporation or any financial, business, commercial or other private transaction, provided that such stockholding for investment does not create a conflict with his/her official duties.

**§ 18-17. Disqualification from acting when conflicts exist.**

- A. Any official or employee who is called upon to make a decision or to make an inspection under any regulatory law of the City involving a matter affecting his/her financial interest or the financial interest of his/her family shall disqualify himself/herself.
- B. Any official or employee who is called upon to make a decision or to act on any matter where his/her decision may be unduly affected by his/her relationship to the parties involved or the subject matter involved shall disqualify himself/herself.

**ARTICLE II**

**Financial Disclosure**

**[Adopted 9-13-1982 by Ord. No. 82-05]**

**§ 18-18. Declaration of purpose.**

- A. The City Council of Seat Pleasant, Maryland, recognizing that our system of representative government is dependent upon the people maintaining the highest trust in their public officers, finds and declares that the people have a right to be assured that the financial interests of holders of and candidates for public office present no conflict with the public trust. It is, therefore, the purpose of this article to promote the continued trust and confidence of the people of Seat Pleasant, Maryland, in the integrity of their public officers.
- B. The intent of the City Council of Seat Pleasant, Maryland, is that employees should be required to file under this article if they are directly responsible for making governmental decisions.

**§ 18-19. Definitions.**

As used in this article, the following terms shall have the meanings indicated:

**BUSINESS ENTITY** — Includes a corporation, general or limited partnership, sole proprietorship, joint venture, unincorporated association, real estate investment trust or other business trust.

**BUSINESS WITH THE CITY** — Any one or any combination of sales, purchases, leases or contracts to, from or with the City, county or state or any agency thereof involving consideration of \$5,000 or more on a cumulative basis during the calendar year for which a required statement is to be filed. As of the awarding or execution of a contract or lease, the total then ascertainable consideration thereby committed to be paid, regardless of the period of time over which such payments are to be made, shall be included. [Amended 2-14-1994 by Ord. No. 94-01]

**CHILD** — Includes a child, adopted child, stepchild, foster child or grandchild of whatever age.

**GIFT** — Includes any gift, reward, honorarium or testimonial, whether or not it relates to the performance of official duties.

**INTEREST** — Any legal or equitable interest, whether or not subject to an encumbrance or a condition, which was owned or held, in whole or in part, jointly or separately, directly or indirectly, at any time during the calendar year for which a required statement is to be filed.

**PERSON** — Includes any natural person, corporation, partnership, trust, unincorporated association or other organization, entity or enterprise.

**§ 18-20. Persons required to file statements.**

All persons holding and candidates for the following offices are required to file the statements provided for in this article:

- A. Members of City Council.
- B. The Mayor.
- C. The Chief Administrative Officer.

D. Department heads. [Added 2-14-1994 by Ord. No. 94-01]

**§ 18-21. Filing of statement of financial interests.**

- A. Each person holding an office set forth in § 18-20 above on or after the effective date of this subsection shall file with the City Clerk on or before the 15th of April of each year during that person's tenure in office the statement required by this section for the calendar year immediately preceding each such year in office.
- B. Except for a person who has filed a statement pursuant to Subsection A above for the same year or a portion of the same year for which a statement otherwise would be required to be filed by this subsection, each candidate for election to the City Council or the Mayor's office shall file with the Board of Election Supervisors, at or before the same time that person's certificate of candidacy is filed, the statement required by this subsection for the calendar year immediately preceding the year in which that certificate of candidacy is filed and for that portion of the calendar year which begins on January 1 of the year in which the election is held and extends through the date of the filing deadline for the elective office sought.

**§ 18-22. Contents of statement of financial interests.**

The statement required to be filed by § 18-21 shall contain schedules disclosing the following interests of the person making the statement, together with the following information, for the calendar year for which the required statement is to be filed.

- A. These schedules as to each such interest shall include:
  - (1) The nature of the property and the location by street address, mailing address and legal description of the property.
  - (2) The nature and extent of the interest held, including any conditions thereto and encumbrances thereon.
  - (3) The date when, the manner in which and the identity of the person from whom the interest was initially acquired.
  - (4) The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.
  - (5) With respect to any interest transferred, in whole or in part, at any time during the year for which the statement is filed, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and the identity of the person to whom the interest was transferred.
  - (6) The identity of any other person with an interest in the property.
- B. A schedule of all interests in any corporation, whether or not the corporation does business with the City. This schedule, as to each such interest, shall include:
  - (1) The name and address of the principal office of the corporation.



- (2) The nature and amount of the interest held, including any conditions thereto and encumbrances thereon; provided, however, that an amount of stock or like evidence of equity interest, at the option of the person making the report, may be reported by the number of shares held and, unless the corporation's stock is publicly traded on a stock exchange, in an over-the-counter market or otherwise, the percentage of equity interest so held instead of by dollar amount.
  - (3) With respect to any interest transferred, in whole or in part, at any time during the year for which the statement is filed, a description of the exchange therefor and, if known, the identity of the person to whom the interest was transferred.
- C. A schedule of all interests in any other business entity which does business with the City. This schedule, as to each such interest, shall include:
  - (1) The name and address of the principal office of the business entity.
  - (2) The nature and amount of the interest held, including any conditions thereto and encumbrances thereon.
  - (3) With respect to any interest transferred, in whole or in part, at any time during the year for which the statement is filed, a description of the interest transferred, the nature and amount of the consideration received in exchange therefor and the identity of the person to whom the interest is transferred.
- D. A schedule of each gift of property in excess of \$50 in value and each gift of money, of whatever amount, including the forgiveness of any liability, received at any time during the year for which the statement is filed by the person making the statement or by any other person at the direction of the person making the statement from or on behalf of, directly or indirectly, any person who does business with the City or who is regulated by the City; provided, however, that neither gifts received from the spouse or a relative within the third degree of consanguinity of the person making the statement or from the spouse of any such relative nor campaign contributions which are otherwise reported as required by law need be disclosed. This schedule, as to each such gift, shall include:
  - (1) The nature and value of the gift.
  - (2) The identity of the person from whom or on behalf of whom, directly or indirectly, the gift was received.
- E. A schedule of all offices, directorships and salaried employment held at any time during the year for which the statement is filed in any corporation or other business entity which does business with the City. This schedule, as to each such office, directorship or salaried employment, shall include:
  - (1) The name and address of the principal office of the business entity.
  - (2) The title and nature of the office, directorship or salaried employment held.
  - (3) The total amount of compensation received from the corporation or other business entity during the year for which the statement is filed.
- F. A schedule of all liabilities to any person doing business with the City owed at any time

during the year for which the statement is filed. This schedule, as to each such liability, shall include:

- (1) The identity of the person to whom the liability was owed.
- (2) The amount of the liability owed as to the end of the year for which the statement is filed.
- (3) The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year.

ARTICLE III  
**Lobbying Disclosure**  
**[Adopted 2-14-1994 by Ord. No. 94-01]**

**§ 18-23. Exemptions.**

A. The provisions of this article do not apply to the following acts:

- (1) Professional services in drafting bills or in advising and rendering opinions to clients as to the construction and effect of proposed or pending legislation where these services do not otherwise constitute activities as a registrant.
- (2) Appearances before the City Council or the Council Committee or any committee or subcommittee thereof upon its specific invitation or request, but only if the person engages in no further or other activities in connection with the passage or defeat of legislation.
- (3) Appearances as part of the official duties of a duly elected or appointed official or employee of the City and not on behalf of any other entity.
- (4) Actions of a publisher or working member of the press radio or television in the ordinary course of the business of disseminating news or making editorial comment to the general public but who does not engage in further or other lobbying that would directly and specifically benefit the economic, business or professional interests of that person or that person's employer.
- (5) Appearances before a Council committee at the specific invitation or request of a registrant, provided that no other act is undertaken for which reporting is required and provided that the witness identifies himself to the committee as testifying at the request of the registrant.
- (6) The representation of a bona fide religious organization solely for the purpose of protecting the right of its own members to practice the doctrine of the organization.
- (7) Appearances as part of the official duties of an officer, director, member or employee of an association engaged exclusively in lobbying for counties and municipalities and not on behalf of any other entity.

B. Except for providing the authorization required by § 18-24 of this article, a person who compensates one or more registrants and who reasonably believes that all expenditures requiring registration will be reported by a registrant and who engages in no other act

which would require registration shall be exempt from the operation of this article. Failure of such a registrant to report any information required by this article makes the employer immediately subject to the provisions of this article.

**§ 18-24. Authorization to act.**

Every employer of a registrant shall furnish a written and signed authorization to act which shall be filed with the City Administrator by the registrant at the time of his/her registration. If the employer is a corporation, any authorized officer or agent who is not the registrant shall furnish and sign the written authorization. The authorization shall include the full and legal name and business address of both the employer and the registrant, the period of time during which the registrant is authorized to act, unless sooner terminated, and the proposal or subjects upon which the employer is represented.

**§ 18-25. Registration with City Administrator.**

- A. Except as exempted by § 18-23, the following persons shall register with the City Administrator:
  - (1) A lobbyist.
  - (2) Any person who has expended \$500 or more for compensation of one or more registrants in a reporting period.
  - (3) Any person who has expended \$2,000, including postage, in a reporting period for the express purpose of soliciting others to communicate with any official to influence any legislative or executive action.
- B. On November 1 of each year, if required, and in any event not later than five days after first performing any act requiring registration under this article, every person required to register with the City Administrator pursuant to Subsection A shall provide the following information, where appropriate, on a form provided by the City Administrator:
  - (1) The registrant's name and permanent address.
  - (2) The name and permanent address of each person who is required to register under this article and who will lobby on the registrant's behalf.
  - (3) The name, address and nature of business of any person who compensates the registrant accompanied by the written authorization required by § 18-24 and a statement whether that person will be exempt from the provisions of this title, pursuant to § 18-23(B), because of the filing and reporting of the registrant.
  - (4) The identification by formal designation, if known, of matters on which the registrant expects to act or employ someone to act in a manner which requires registration under this article.
- C. A registrant shall file a separate registration for each employer.
- D. Each registrant may file a notice of termination within 30 days after ceasing any activity that requires registration and filing the reports required hereunder.

**§ 18-26. Compensation not to be contingent.**

A person may not be employed as a registrant for compensation dependent in any manner upon the passage or defeat of any proposed legislation or upon any other contingency connected with any action of the City Council.